



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

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WILLIAM T FUJIOKA  
Chief Executive Officer

March 23, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

12 MARCH 23, 2010

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Board of Supervisors

GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

**AUTHORIZATION TO RENEW CONTRACT FOR THE  
RISK MANAGEMENT INFORMATION SYSTEM  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

This letter seeks Board authorization to renew Contract No. 73275 with Risk Technologies, Inc. (RTI), for maintenance and repair services of the Risk Management Information System (RMIS), for an additional one-year period, effective April 14, 2010, through and including April 13, 2011.

**JOINT RECOMMENDATION WITH COUNTY COUNSEL THAT YOUR BOARD:**

1. Authorize the Chief Executive Officer (CEO) and County Counsel, as joint Program Directors, to renew Contract No. 73275 (Contract), with RTI, for maintenance and repair services for RMIS, for an additional one-year period, effective April 14, 2010, through and including April 13, 2011.
2. Instruct the Auditor-Controller to continue to pay program costs as invoiced and validated by the CEO.
3. Accept the attached annual summary report documenting the outcomes and effectiveness of RMIS.

*"To Enrich Lives Through Effective And Caring Service"*

*Please Conserve Paper – This Document and Copies are Two-Sided  
Intra-County Correspondence Sent Electronically Only*

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

In approving the recommended actions, the County will continue to receive uninterrupted RMIS services for an additional one-year period. As documented in the attached report, RMIS and RTI's performance continue to meet the County's data quality, data availability, and data accessibility expectations.

### **Implementation of Strategic Plan Goals**

The services provided under this Contract support the County's Strategic Plan Goal One, Operational Effectiveness; and Strategy Two, Service Excellence and Organizational Effectiveness, by providing a centralized claim and litigation database that the CEO, County Counsel, County departments, and County third party administrators utilize to improve the effectiveness of Countywide risk management and litigation activities.

### **FISCAL IMPACT/FINANCING**

Funding for system upgrade projects and maintenance and support have been included in the Insurance Budget for Fiscal Year 2009-10, and proposed budget for Fiscal Year 2010-11.

### **FACTS AND PROVISIONAL/LEGAL REQUIREMENTS**

On March 6, 2001, your Board approved the contract with RTI to procure and maintain RMIS, and authorized the CEO to execute up to six annual contract renewal options. On September 8, 2009, your Board authorized the CEO to execute Amendment No. 3, which added two additional annual renewal options to the contract as part of the contract extension/cost reduction initiative. The current term expires on April 13, 2010.

On March 1, 2005, your Board approved Amendment No. 2 to the Contract, and instructed the CEO and County Counsel, as joint Program Directors, to seek your Board's approval before executing each annual renewal option for enhanced maintenance services, and to provide justification for the renewal, based upon outcome measurement methodology.

Risk Technologies, Inc., continues to comply with all County standard terms and conditions.

The Honorable Board of Supervisors  
March 23, 2010  
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In addition, in October 2009, the CEO and County Counsel worked together to successfully implement the departmental reporting functions of the Cognos-based Online Risk Business Intelligence Tool (ORBIT) to distribute claims-related reports to all County departments on a monthly basis. Additional reports continue to be designed for distribution to County departments. The Cognos reports serve as a resource for departments for claims-related information on an aggregate level. The CEO and County Counsel continue to work closely to accurately and efficiently report to your Board information concerning claims and litigation.

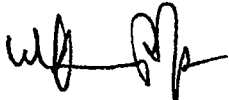
#### **IMPACT ON CURRENT SERVICES**

Renewal of the Contract for one additional year will ensure uninterrupted continuation of critical services to the CEO, County Counsel, County departments, and third party administrators.

#### **CONCLUSION**

Upon approval by your Board, please return two adopted copies of this letter to the CEO Risk Management Branch, attention Steven E. NyBlom, Manager, CEO.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer



ANDREA SHERIDAN ORDIN  
County Counsel

WTF:ES  
SEN:JS:sg

Attachment

c: Executive Office, Board of Supervisors  
Auditor-Controller  
Chief Information Office

**COUNTY OF LOS ANGELES  
RISK MANAGEMENT INFORMATION SYSTEM  
ANNUAL REPORT SUMMARY  
APRIL 2009 THROUGH APRIL 2010**

As requested by your Board on March 1, 2005, listed below are summary descriptions and status of each work order issued or in development for system modifications and enhancements to the Risk Management Information System (RMIS) during the renewal term of April 14, 2009 through April 13, 2010. The work orders were created to accomplish the upgrade projects of the Priority 1 enhancements, as provided to your Board on February 28, 2005. Upgraded projects meet the performance expectations established in the *Methodology to Measure the Outcomes and Effectiveness of RMIS*, as outlined in the December 30, 2005 report to your Board.

**COMPLETED WORK ORDERS**

- **RMIS Enhancements to the Functionality of Reserves, Passwords, Files, Notes/Diaries, Cause of Loss Codes, and Data Fields/Coverage**

All items of the work order have been completed, which include:

- Removal of the "Auto Reserve" feature from the time billing posting process to improve the tracking of County Counsel fees for claims and litigation;
- An improved search engine for the list of "cause of loss" codes to facilitate more accurate reporting;
- An overhaul of the "cause of loss" codes, including updates and reorganization;
- Ability to track an unlimited number of "cause of loss" codes and the ability to easily indicate the primary cause of loss;
- Creation of an avenue to more effectively identify and report files created in error or as duplicates;
- More flexibility and efficiency in the assignment and transfer of notes and diaries within RMIS;
- Improved efficiency for creating sub-files;
- Improved usefulness and quality of management reports which monitor case status and budgetary controls and document case decisions;
- Addition of various data elements for improved tracking;
- Addition of property coverage type for more accurate coding of such claims;
- Increased security to protect the confidentiality of the County's privileged legal information; and
- Ability to create and edit specific user-group form letters.

- **eCAPS Final Approval Implementation**

In January 2010, to comply with new Auditor-Controller payment system controls, a RMIS enhancement project was implemented to introduce an additional layer of security to its certified payment process. Although RMIS payments are automatically interfaced to the eCAPS financial system, the CEO, County Counsel, and the Auditor-Controller collaborated to require the final approval to be in eCAPS. All County liability claim Third Party Administrator (TPA) payments and County Counsel warrants are subject to the certified approval process established in RMIS, as well as the new final approval in eCAPS. All RMIS payments are approved, printed, tracked, and reconciled with eCAPS.

### WORK ORDERS IN PROGRESS

- **RMIS Enhancements for Medicare Secondary Payer Mandatory Reporting**

A RMIS enhancement project is currently in progress to comply with the Medicare Secondary Payer (MSP) Mandatory Reporting requirement set forth by the Centers for Medicare and Medicaid Services (CMS).

- **RMIS Enhancements for Coverage Type and Coverage Detail Enhancements**

A RMIS enhancement project is currently in progress to streamline the process for assigning coverage types, coverage details, and case types to a file.

### WORK ORDERS IN DEVELOPMENT

- Enhancements to streamline and automate manual processes.
- Enhancements to the Cognos-based Online Risk Business Intelligence Tool (ORBIT) reporting environment.
- Enhancements to the RMIS/eCAPS Time Collection Interface.

### MISCELLANEOUS ITEMS

- CEO and County Counsel are assessing the following enhancement project for the next contract period:
  - County Counsel legal e-billing enhancement.